IN THE CLAIMS:

The following listing of claims will replace all prior versions, and listings, of the claims in the application:

1-29. (Canceled).

30. (Currently amended) A system for distributing video content, the system comprising:

a portable video content storage device upon which digitally encoded video content is securely stored to prevent unauthorized access, the storage device comprising a memory capable of storing at least MPEG-2 quality video content, a security module that connects with and limits access to the memory by authenticating the identity of any device attempting to communicate with the memory, a device controller that connects with and controls the memory, wherein the memory is compatible with the device controller but the memory is incompatible with industry standard device controllers, and a durable housing configured to contain and protect the memory, the housing comprising an external first physical connector;

an interactive kiosk configured to be located in a public location, the kiosk comprising a first receptacle configured to manually receive the storage device via a second physical connector adapted to mate with the first connector, and an input device for receiving input from a user, the kiosk further configured to securely store video content on the storage device in response to the received user input; and

a set-top box comprising a second receptacle configured to manually receive the storage device via a third physical connector adapted to mate with the first connector, the set-top box further configured to access the securely

stored video content from the storage device, the set-top box further configured to provide the video content as an output signal to a video display, the set-top box further configured to accumulate content use data and to store the accumulated content use data directly onto the storage device, wherein the content use data comprises at least a number of times the securely stored video content is accessed and which portions and the durations of such portions of the securely stored video content that are accessed,

wherein the interactive kiosk is further configured to read the accumulated content use data from the storage device, and is further adapted to calculate a usage fee based on at least the number of times and the <u>durations of the</u> portions of the securely stored video content that are accessed,

wherein the interactive kiosk is further configured to erase the accumulated content use data from the storage device that specifies content use for which payment has already been made,

wherein the first, second and third connectors are incompatible with industry standard computer systems to substantially prevent the content-use data and the stored video content from being accessed by an industry-standard computer system.

31. (Canceled)

- 32. (Previously presented) The system of Claim 30, wherein the storage device consists essentially of a passive storage media unit.
- 33. (Previously presented) The system of Claim 30, wherein the encoded video content stored on the storage device is encrypted to prevent unauthorized access.

34. (Currently amended) A method of obtaining and using video content, the method comprising:

manually inserting a portable video content storage device configured for storing digitally encoded video content, the storage device comprising a memory, a security module, and a device controller, wherein the security module limits access to the memory by authenticating the identity of any device attempting to communicate with the memory, wherein the memory is compatible with the device controller but the memory is incompatible with industry standard controllers, and an external first physical connector incompatible with industry standard computer systems, into a first receptacle of an interactive kiosk in a first location via a second physical connector incompatible with industry standard computer systems, the second connector being adapted to mate with the first connector, wherein the first physical connector incompatible with industry standard computer systems substantially prevents unauthorized access to the digitally encoded video content by industry standard computer systems;

selecting video content through the kiosk in order to cause the kiosk to store the video content on the storage device;

manually disconnecting the storage device from the kiosk;

manually inserting the storage device into a second receptacle of a set-top box in a second location via a third physical connector incompatible with industry standard computer systems, the third connector being adapted to mate with the first connector;

causing the set-top box to access, decode, and output as a video signal at least a portion of the selected video content; and

writing content use data to the portable video content storage device, wherein the content use data comprises at least a number of times the video content is accessed and which portions and the durations of such portions of the video content that are accessed; and

calculating a usage fee based on at least the number of times and the <u>durations</u> of the portions of the video content that are accessed.

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35. (Canceled)

36. (Previously presented) The method of Claim 34, further comprising manually reinserting the storage device into the first receptacle of the kiosk such that content use data written to the storage device by the set-top box can be read by the kiosk.

37. (Currently amended) A hand-held dedicated secure video content storage device comprising:

a mass storage module configured to store at least about an hour of at least television-suitable quality digitally encoded video content; and further configured to store content use data relating to the use of the video content stored on the storage device, wherein the content use data comprises at least a number of times the video content is accessed and portions of the video content that are accessed;

a controller <u>having a security module</u> configured to prevent unauthorized access to the mass storage module <u>by authenticating the identity of any device attempting to communicate with the mass storage module</u>, the controller further configured to permit video content to be written to the mass storage module by a compatibly configured interactive kiosk, wherein the mass storage module is compatible with the controller but the mass storage module is incompatible with industry standard controllers; a hand-held housing containing the mass storage module and the controller; and

a physical connector mounted in the housing, the physical connector configured to be manually connected to the interactive kiosk to thereby establish communication with the interactive kiosk;

wherein the physical connector is configured to be uniquely compatible with the kiosk but incompatible with industry standard electronic system and devices for accessing video content such that that the content-use data and the video content substantially cannot be accessed by an industry-standard system.

- 38. (Previously presented) The device of Claim 37, wherein the physical connector comprises an electrical connector.
- 39. (Previously presented) The device of Claim 37, wherein the physical connector comprises an optical connector.

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- 40. (Previously presented) The device of Claim 37, wherein the controller is configured to authenticate the kiosk.
- 41. (Previously presented) The device of Claim 37, wherein the controller is further configured to enable video content to be read from the mass storage module by a compatibly configured and authorized set-top box.
- 42. (Previously presented) The device of Claim 37, wherein the mass storage module is a disk drive.
- 43. (Previously presented) The device of Claim 42, wherein the controller is further configured to separately limit read and write access to the disk drive.
- 44. (Previously presented) The device of Claim 42, wherein the controller comprises a data buffer configured to buffer data as the data is transferred to or from the disk drive.

45. (Canceled)

- 46. (Previously presented) The device of Claim 37, wherein the controller is configured to limit access to the mass storage module based at least upon a content rating of a content unit.
- 47. (Previously presented) The device of Claim 37, wherein the controller is configured to maintain a set of user preferences relating to the format of content units to be stored on the mass storage module.

- 48. (Currently amended) A set-top box for accessing video content stored on a portable video content storage device, the set-top box comprising:
- a receptacle configured to manually receive the portable video content storage device, wherein the portable video content storage device can be inserted and removed by a user, and wherein the receptacle comprises an external first physical connector incompatible with industry standard computer systems;
- a video decoder module configured to decode the video content to produce an output signal; and
- a processor configured to control the video decoder module, wherein the processor is further configured to accumulate content use data based at least upon which portions and the durations of such portions of video content is accessed and a number of times the video content is accessed an amount of use of the video content and to store the accumulated content use data on the portable video content storage device;

wherein the processor is further configured to upload the accumulated content use data to a kiosk for calculating a fee based at least upon the amount of use of the video content;

wherein the set-top box is configured to be uniquely connected to the portable video content storage device via a second physical connector incompatible with industry standard devices for transferring video content, the second connector being adapted to mate with the first connector wherein the first and second connectors substantially prevent an industry standard device from accessing the video content.

49. (Previously presented) The set-top box of Claim 48, wherein the processor is further configured to control the portable video content storage device.

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50. (Previously presented) The set-top box of Claim 48, further comprising a decryption module configured to decrypt encrypted video content.

51. (Canceled)

- 52. (Previously presented) The set-top box of Claim 48, further comprising an authentication module configured to provide authentication information to the portable video content storage device.
- 53. (Previously presented) The set-top box of Claim 48, wherein the output signal comprises video information and audio information.
- 54. (Previously presented) The set-top box of Claim 48, wherein the processor is further configured to access user preferences stored on the portable video content storage device.
- 55. (Previously presented) The set-top box of Claim 54, wherein the processor is further configured to modify the user preferences.
- 56. (Previously presented) The device of Claim 48, wherein the processor is configured to limit access to a content unit stored on the portable video content storage device based at least upon a content rating of the content unit.

57-61. (Canceled)